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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

NEWSTAR CHEMICALS (M) SDN  
BHID., a Malaysian private limited  
company, NEWSTAR HOLDINGS PTE  
LTD., a Singaporean private limited  
company, and RANDALL HART,

Plaintiffs,

v.

MEGOLA, INC., a Nevada Corporation,  
and DOES 1 through 500,

Defendants.

Case No. 2:11-CV-926-GMN-(RJJ)

**DECLARATION OF MAXIM H.  
WALDBAUM IN SUPPORT OF  
ORDER TO SHOW CAUSE FOR  
PRELIMINARY INJUNCTION**

I, Maxim H. Waldbaum, Esq., make the following Declaration, pursuant to 28 U.S.C. § 1746:

1. I am an attorney-at-law of the State of New York and a member of the law firm of Schiff Hardin, LLP, counsel for Plaintiffs in the above-captioned matter. As such, I am fully familiar with the facts set forth below.

2. Prior to filing suit, I spoke with Joel Gardner, the Chief Executive Officer of Defendant Megola, Inc. ("Megola"). Mr. Gardner indicated that he was not represented by counsel in connection with this dispute.

3. I implored Mr. Gardner to stop misrepresenting that Megola is authorized to manufacture and distribute AF21. I also advised Mr. Gardner that Plaintiffs are demanding that Megola issue a press release retracting the false statements made by Megola regarding Plaintiffs.

4. In response, Mr. Gardner requested that I send him a proposed press release. In response, on May 10, 2011, we sent Mr. Gardner a proposed press release for Megola, a copy which is attached hereto as Exhibit A.

5. In a subsequent conversation and in emails, Mr. Gardner indicated that our proposal was being considered. However, Megola has not issued the proposed press release.

6. Moreover, Megola's website continues to offer AF21 for sale, and Megola has continued to issue false press releases claiming to hold valid rights to AF21.

7. In light of Megola's continuing wrongful conduct, and recognizing the very real threat that such conduct would continue, I informed Mr. Gardner that if he did not correct Megola's misrepresentations we would be filing for a preliminary injunction. I believe

he fully understood the import of that filing. Nevertheless, Megola has not retracted its false statements, and its wrongful conduct has continued.

8. The accompanying Order to Show Cause for Preliminary Injunction is necessary for the reasons described in this Declaration, the Declaration of Randall Hart and the accompanying Memorandum of Law, because Megola's wrongful conduct has caused and will continue to cause irreparable harm for which there is no adequate remedy at law.

9. I have been advised that Megola recently was served with the summons and Complaint in this action. We will file proof of service upon our receipt of those forms from the process server.

10. Attached hereto are true and complete copies of the following materials:

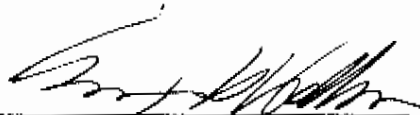
Exhibit A Proposed Megola Press Release drafted by Counsel for Plaintiffs

Exhibit B Megola, Inc. Form 10-Q filed March 22, 2011

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 13th day of June 2011.

New York, New York

  
Maxim H. Waldbaum

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